



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

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FOR IMMEDIATE RELEASE

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**Statement by United States Attorney Johnny Sutton regarding
property forfeiture estimated at \$8.1 million in U.S v. John Kenneth Coil, et al.**

"Today, agents with the Internal Revenue Service - Criminal Investigations and the U.S. Immigration and Customs Enforcement continue to execute the preliminary order of forfeiture in the case against John Kenneth Coil, et al. The order, signed by United States District Judge Harry Lee Hudspeth, directs the government to forfeit and seize Coil's enterprise properties within the State of Texas, amounting to over 40 pieces of realty including 20 hard-core pornography stores valued at an estimated \$8.1 million. The forfeited properties are located in Austin, San Antonio, El Paso, Waco, Dallas, Lubbock, College Station, Houston, Brownsville, Corpus Christi, Beaumont, Longview and elsewhere.

"The properties are being taken pursuant to the Court's order directing forfeiture of Coil's interest in them. The validity of any third-party ownership claims to any of the properties will be determined by the Court at a later date. Until the Court enters a final order of forfeiture in this case, businesses under control of the government will remain closed."

On June 11, 2004, Coil, owner and operator (directly and indirectly through nominees) of 27 adult-oriented businesses in Texas, New Mexico and Arizona, pled guilty to federal charges in connection with a racketeering, obscenity, fraud and income tax evasion scheme. On September 17, 2004, Coil was sentenced to 63 months in federal prison, fined \$5,000 and ordered to forfeit to the government the properties in question.

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